

June 22, 1983

Dear Manufacturer:

CD-83-10(LD)

On December 22, 1982 I issued a letter (CD-82-10(LD)) which articulated our basic policy concerning the usage of fuel economy credit for Shift Indicator Lights (SIL). That letter left several details concerning the implementation of SIL credit that were to be resolved on a case-by-case basis. As I mentioned at the EPA/Industry Meeting of May 18, 1983, several of these details have been refined since the initial letter. The purpose of this letter is to assure everyone received a copy of the handout from which my remarks at the EPA/Industry meeting were taken.

The handout should be self-explanatory, but there are several points which warrant reiteration. If you wish to receive SIL credits on your fuel economy label before you complete your usage survey, the limit for SIL credit remains 65 percent. If you complete your usage survey prior to issuance of a fuel economy label, a simple yes/no survey cannot be used to obtain more than a 75 percent credit factor; however, if you further refine your survey to ascertain "What percent of the time do you shift with or before the light?", the credit could be greater than 75 percent. Additionally, a written agreement on relabeling and the survey design is necessary before we will grant credit prior to completing a survey. If you are completing a survey prior to requesting a label, it is advisable to review the survey design with EPA in advance to prevent disagreements later on how the results will be interpreted and applied.

Feel free to contact your team representative concerning details of this policy or with suggestions on policy improvements.

Sincerely yours,

Robert E. Maxwell, Director
Certification Division
Office of Mobile Sources

Enclosure

Handout at
EPA/Industry Meeting
May 18, 1983

SIL Usage Factor Determination

Credit on Label Prior to Survey

For 1984 model year--up to 65 percent usage factor (EPA must concur that the SIL design is enough similar to those previously surveyed to qualify).

For 1985 model year--we will update based upon surveys from 1984 model year.

Must agree to do followup survey and relabel if we find that the usage factor results in a lower label value.

- Use original label calculation and sales projections (do not update for latest sales, added models, etc.) and simply replace the 65 percent with the survey determined factor and recalculate the label. The manufacturer must use the recalculated label value on all remaining production if the new calculation rounds to a new lower label value.

There is no mechanism to increase label values if the final usage rate is higher.

Acceptable surveys:

1. A simple yes/no survey. For example, "Do you usually or usually not shift with the light or before the light comes on?"
2. A more detailed survey which tries to establish actual percent of use. For example, "What percent of the time do you shift with or before the light?" 0-20, 20-40, 40-60, 60-80, 80-100.

The survey results are statistically adjusted to provide sufficient confidence.

Wording for followup surveys must be accepted by EPA as

part of the agreement to let you use "up front" credit.

Credit if the survey is done prior to the label being issued

- Not limited to 65 percent.
- You can conduct a simple yes/no (usually do/usually do not) type of survey as described above. The results will again be adjusted for statistical confidence. Manufacturers may use the adjusted results as the usage factor up to a maximum of 75 percent. The basis for the 75 percent limit is if all respondents said "usually do," all we can conclude is that they all use the light between 50 and 100 percent of the time. Without more information we have no basis to allow more than the midpoint of this range of possible actual usage rates--75 percent.
- If you use a survey to ask "What percent of the time do you shift with or before the light?", we will discount the results for appropriate statistical confidence and allow that calculated usage factor to be used. No restriction will be imposed on how high that factor can be; that is, it could be greater than 75 percent.

All survey questions should be reviewed with EPA in advance to prevent future disagreements on how the data will be interpreted and applied.